



September 13, 2006

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JOYCE CROSTHWAITE
Executive Officer

TO: Local Agency Formation Commission

FROM: Executive Officer
Assistant Executive Officer

SUBJECT: Municipal Service Review/Sphere of Influence Update

Background

Government Code Sections 56425 and 56430 establish the procedural requirements for LAFCO to conduct sphere of influence updates and municipal service reviews. Section 56425 requires LAFCO to conduct periodic reviews of each agency's sphere of influence every five years. Section 56430 requires LAFCO to conduct municipal service reviews (MSRs) in preparation of the mandated sphere reviews. The law also requires that the initial round of MSRs and sphere of influence updates be completed for each agency within Orange County (34 cities and 28 special districts) by no later than January 1, 2008.

The following report provides an update on the progress the Commission has made in meeting the MSR/SOI deadlines. To date, Orange LAFCO has completed approximately 40 percent of the MSR/SOI updates for cities, and approximately 68 percent of the MSR/SOI updates for the County's special districts. Table 1, on the following page, provides a detailed breakdown of completed MSRs/SOIs and the dates they were approved by the Commission. MSR/SOI updates for the remaining Orange County cities and special districts are scheduled to be completed prior to the January 1, 2008 statutory deadline. Tables 2 and 3 within this report indicate the MSR/SOI studies currently in progress and those that remain to be completed.

Table 1: Completed MSR/SOI Updates

<i>Cities</i>	<i>Date MSR Approved</i>	<i>Date SOI Approved</i>	<i>Notes</i>
City of Brea	11/9/2005	11/9/2005	
City of Costa Mesa	7/12/2006		SOI to be completed in late 2006.
City of Huntington Beach	3/8/2006	3/8/2006	SOI did not include Bolsa Chica area.
City of Irvine	10/12/2005	10/12/2005	
City of Laguna Niguel	4/13/2005	4/13/2005	
City of Los Alamitos	4/13/2005		SOI to be completed in January 2007.
City of Mission Viejo	3/8/2006	3/8/2006	
City of Newport Beach	7/12/2006		SOI to be completed in late 2006.
City of Orange	4/13/2005	9/14/2005	Unincorporated islands, open space in eastern part of SOI placed in special district study areas.
City of Rancho Santa Margarita	3/8/2006	3/8/2006	
City of San Clemente	3/8/2006	3/8/2006	
City of San Juan Capistrano	3/8/2006	3/8/2006	
City of Seal Beach	4/13/2005	7/12/2006	
City of Villa Park	4/13/2005	10/12/2005	
City of Yorba Linda	5/10/2006	5/10/2006	
<i>Special Districts</i>	<i>Date MSR Approved</i>	<i>Date SOI Approved</i>	<i>Notes</i>
Buena Park Library District	11/9/2005	11/9/2005	Portion of district's SOI placed in joint special study area with City of Fullerton.
East Orange County Water District	4/13/2005	12/14/2005	
Harbors, Beaches and Parks CSA 26	2/8/2006	2/8/2006	
Irvine Ranch Water District	4/13/2005	11/9/2005	Consolidated with SCWD, effective 7/1/2006.
Laguna Niguel Community Services District	4/13/2005	4/13/2005	Dissolved, effective 5/16/2005.
Orange County Cemetery District	11/9/2005	11/9/2005	
Orange County Vector Control	11/9/2005	11/9/2005	
Placentia Library District	11/9/2005	11/9/2005	
Rossmoor Community Services District	4/13/2005	7/12/2006	
Rossmoor/Los Alamitos Sewer District	4/13/2005	7/12/2006	
Santa Margarita Water District	3/8/2006	3/8/2006	
Santiago County Water District	4/13/2005	11/9/2005	Consolidated with IRWD, effective 7/1/2006.
Serrano Water District	4/13/2005	10/12/2005	
Silverado Modjeska Park & Recreation District	4/13/2005	9/14/2005	Portion of district placed in joint special study area with City of Orange.
Sunset Beach Sanitary District	4/13/2005	3/8/2006	
Surfside Community Services Tax District	9/14/2005	9/14/2005	
Surfside Stormwater Protection Tax District	9/14/2005	9/14/2005	
Trabuco Canyon Water District	3/8/2006	3/8/2006	
Yorba Linda Water District	5/10/2006	5/10/2006	

Table 2, below, indicates the MSRs and related SOI updates which are currently in progress.

Table 2: In Progress MSR/SOI Updates

<i>Cities</i>	<i>Projected LAFCO Hearing Date</i>
City of Anaheim	12/2006
City of Fountain Valley	12/2006
City of Garden Grove	12/2006
City of Santa Ana	12/2006
City of Stanton	12/2006
City of Westminster	12/2006
<i>Special Districts</i>	<i>Projected LAFCO Hearing Date</i>
Costa Mesa Sanitary District	11/2006
Garden Grove Sanitary District	12/2006
Mesa Consolidated Water District	11/2006
Midway City Sanitary District	12/2006
Orange County Water District	TBD
Municipal Water District of Orange County	TBD

Table 3, on the following page, lists those cities and special districts for which MSRs and sphere of influence updates have not yet begun. Existing staff resources are sufficient to complete all city and district MSR/SOI updates by the mandated January 1, 2008 deadline. Specific scheduling of the remaining MSR/SOI updates listed in Table 3 will be set by the Commission during the January 2007 LAFCO Strategic Planning Session.

**Table 3: Remaining City and Special District
MSR/SOI Updates to be Completed**

<i>Cities</i>
City of Aliso Viejo
City of Buena Park
City of Cypress
City of Dana Point
City of Laguna Beach
City of Laguna Hills
City of Laguna Woods
City of Lake Forest
City of La Palma
City of Placentia
City of Tustin
<i>Special Districts</i>
Capistrano Bay Community Services District
El Toro Water District
Emerald Bay Community Services District
Moulton Niguel Water District
South Coast Water District

Recommendation

1. Receive and file staff report.

Respectfully submitted,

JOYCE CROSTHWAITE

BOB ALDRICH